

## PROJECT BASED VOUCHER (PBV) PROGRAM OVERVIEW OF FEDERAL REGULATIONS

As this is a federal program the following HUD regulations (Title 24 Housing and Urban Development Part 983 Project Based Voucher (PBV) Program) must be followed. Here is the link: [http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr983\\_main\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr983_main_02.tpl) . The following sections are provided for your initial review; it is strongly recommended that you review the PBV regulations at the link above prior to completing the owner proposal.

If you have any questions please contact Kathy French, PBV Specialist at 517.241.0505 or [frenchk@michigan.gov](mailto:frenchk@michigan.gov) .

### **24 CFR Part 983.53 Prohibition of assistance for ineligible units**

*Ineligible unit.* The PHA **may not** attach or pay PBV assistance for units in the following types of housing:

- Shared housing;
- Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care. However, the PHA may attach PBV assistance for a dwelling unit in an assisted living facility that provides home health care services such as nursing and therapy for residents of the housing;
- Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution;
- Manufactured homes;
- Cooperative housing; and
- Transitional Housing.

*Prohibition against assistance for owner-occupied unit.* The PHA may not attach or pay PBV assistance for a unit occupied by an owner of the housing.

*Prohibition against selecting unit occupied by an ineligible family.* Before a PHA selects a specific unit to which assistance is to be attached, the PHA must determine whether the unit is occupied and, if occupied, whether the unit's occupants are eligible for assistance. The PHA must not select or enter into an Agreement or HAP contract for a unit occupied by a family ineligible for participation in the PBV program.

## **24 CFR Part 983.54 Prohibition of assistance for units in subsidized housing**

A PHA may not attach or pay PBV assistance to units in any of the following types of subsidized housing:

- A public housing dwelling unit;
- A unit subsidized with any other form of Section 8 assistance (tenant-based or project-based);
- A unit subsidized with any governmental rent subsidy (a subsidy that pays all or any part of the rent);
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1). However, the PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments;
- A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program). However, the PHA may attach assistance for a unit subsidized with Section 515 interest reduction payments (42 U.S.C. 1485);
- A Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
- Section 811 project-based supportive housing for persons with disabilities (42 U.S.C. 8013);
- Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
- A Section 101 rent supplement project (12 U.S.C. 1701s);
- A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b)(2)) ( *e.g.* , a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 *et seq.* );
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by the PHA in accordance with HUD requirements. For this purpose, "housing subsidy" does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

**CFR 24 Part 983.56 - Cap on number of PBV units in each building; refer to the regulations for more detail**

*25 percent per building cap. Exception to 25 percent per building cap — Units in a single-family building (1 -4 units); and Excepted units in a multifamily building; defined as elderly or disabled families or families receiving supportive services.*

**NOTE:** Families must receive supportive services as provided in an approved service plan developed by the service agency. This will be monitored annually for compliance. Once the (3/16/2012)

tenant has completed the approved plan and remains in the unit, the unit will still be considered an excepted unit.

**CFR 24 Part 983.4 - Cross-reference to other Federal requirements** - The following provisions also apply to assistance under the PBV program:

- ***Civil money penalty.*** Penalty for owner breach of HAP contract. See 24 CFR 30.68.
- ***Debarment.*** Prohibition on use of debarred, suspended, or ineligible contractors. See 24 CFR 5.105(c) and 2 CFR part 2424.
- ***Definitions.*** See 24 CFR part 5, subpart D.
- ***Disclosure and verification of income information.*** See 24 CFR part 5, subpart B.
- ***Environmental review.*** See 24 CFR parts 50 and 58 (see also provisions on PBV environmental review at §983.58).
- ***Fair housing. Nondiscrimination and equal opportunity.*** See 24 CFR 5.105(a) and section 504 of the Rehabilitation Act.
- ***Fair market rents.*** See 24 CFR part 888, subpart A.
- ***Fraud.*** See 24 CFR part 792. PHA retention of recovered funds.
- ***Funds.*** See 24 CFR part 791. HUD allocation of voucher funds.
- ***Income and family payment.*** See 24 CFR part 5, subpart F (especially §5.603 (definitions), §5.609 (annual income), §5.611 (adjusted income), §5.628 (total tenant payment), §5.630 (minimum rent), §5.603 (utility allowance), §5.603 (utility reimbursements), and §5.661 (section 8 project-based assistance programs: approval for police or other security personnel to live in project)).
- ***Labor standards.*** Regulations implementing the Davis-Bacon Act, Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), 29 CFR part 5, and other federal laws and regulations pertaining to labor standards applicable to an Agreement covering nine or more assisted units.
- ***Lead-based paint. Regulations implementing the Lead-based Paint Poisoning Prevention Act*** (42 U.S.C. 4821-4846) ***and the Residential Lead-based Paint Hazard Reduction Act of 1992*** (42 U.S.C. 4851-4856). See 24 CFR part 35, subparts A, B, H, and R.
- ***Lobbying restriction.*** Restrictions on use of funds for lobbying. See 24 CFR 5.105(b).
- ***Noncitizens.*** Restrictions on assistance. See 24 CFR part 5, subpart E.
- ***Program accessibility. Regulations implementing Section 504 of the Rehabilitation Act of 1973*** (29 U.S.C. 794). See 24 CFR parts 8 and 9.
- ***Protection for victims of domestic violence, dating violence, and stalking.*** See 24 CFR part 5, subpart L.
- ***Relocation assistance.*** Regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655). See 49 CFR part 24.
- ***Section 3—Training, employment, and contracting opportunities in development.*** Regulations implementing Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u). See 24 CFR part 135.
- ***Uniform financial reporting standards.*** See 24 CFR part 5, subpart H.

- **Waiver of HUD rules.** See 24 CFR 5.110. [70 FR 59913, Oct. 13, 2005, as amended at 72 FR 73497, Dec. 27, 2007; 73 FR 72345, Nov. 28, 2008; 75 FR 66264, Oct. 24, 2010]

### **CFR 24 Part 983.55 – Prohibition of excess public funds**

Subsidy layering requirements must be met prior to the execution of an Agreement or HAP contract. Please refer to the following link for guidance and contact information regarding this process. Keep in mind that this process must begin as soon as possible in the process. <http://www.michigan.gov/mshda/0,4641,7-141--263960--00.html>